

# Memorandum

**TO:** Transportation and  
Environment Committee

**FROM:** William F. Sherry, A.A.E.,  
Director of Aviation  
Katy Allen, Director of Public  
Works

**SUBJECT: EXTENSION OF THE  
SAN JOSÉ LIVING WAGE  
POLICY TO MINETA SAN JOSÉ  
INTERNATIONAL AIRPORT**

**DATE:** September 15, 2008

Approved

Date

9/16/08

**COUNCIL DISTRICT:** City-Wide  
**SNI AREA:** N/A

## **RECOMMENDATION**

Implement a Living Wage Ordinance applicable to the Norman Y. Mineta San Jose International Airport.

Staff recommends three implementation options for the Committee's consideration:

- Option 1 – Implement the ordinance airport-wide immediately upon passage; or
- Option 2 – Implement the ordinance in phases. Should the Committee wish to pursue this option, staff recommends the following phases:
  1. Phase 1 - extend living wage coverage to the direct, contracted, and subcontracted employees working for the businesses operating in passenger terminal and ramp areas of the Airport, including commercial passenger airlines and air cargo carriers effective January 1, 2009.
  2. Phase 2 - extend living wage coverage to all the remaining direct, contracted and subcontracted employees of the remaining businesses on the Airport effective September 1, 2009. From the period of January 1, 2009 through June 1, 2009, staff is directed to study the economic impacts related to this second phase and report back to the Committee and full Council before the proposed implementation date of September 1, 2009.

- Option 3 – Should the Committee wish to consider implementation via an economic trigger, staff recommends an activity trigger of three consecutive months of year-over-year of increased capacity growth (number of seats on departing flights). The ordinance would take effect whenever the trigger is met or the opening of the new Terminal B, whichever occurs first. If a trigger method is used, there would be no phased approach and coverage would be extended airport wide.

Staff recommends that a complaint-based enforcement be provided by the City along with a private right of action for impacted employees to enforce the minimum compensation and employee retention provisions through the courts.

Staff estimates the need for one new full-time equivalent (FTE) staff to administer the Airport program at an approximate cost of \$156,000 (including benefits, retirement and other costs). Staff will return to Council to request an appropriation action for the Office of Equality Assurance (OEA). Once an appropriation has been approved, recruitment and selection will begin.

### **OUTCOME**

Should staff's recommendations be adopted, the draft living wage ordinance would be forwarded to Council for review. To implement the ordinance, staff has outlined three timeline options for implementation. The earliest timeline would implement the ordinance 30 days after the second reading. The latest timeline would implement the ordinance with the opening of Terminal B in the summer or fall of 2010.

### **EXECUTIVE SUMMARY**

On August 18, 2008, the Transportation and Environment Committee directed staff to draft a living wage ordinance based on the City's current living wage policy that would apply to all businesses and all eligible employees at the Airport. The Committee directed that the Airport living wage ordinance contain provisions related to:

- worker retention;
- third tier review;
- labor peace; and
- penalties for failure to comply.

The Committee also directed staff to return with an implementation plan for the ordinance and options for a training program. Staff was directed to distribute its report on the draft ordinance and implementation plan on September 15 for review at the Committee's October 6 meeting. While the Committee expressed an interest in applying living wage throughout the Airport campus, the focus of the Committee's interest are the 460 employees of companies that provide "curb to cabin" contracted services in the passenger areas of the Airport. About 83% of these employees currently earn wages that are less than those set by the City's Living Wage Policy.

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At its meeting of September 9, the full City Council reaffirmed the Committee's direction to staff.

Staff has drafted a proposed living wage ordinance (see Attachment 1) containing all of the provisions directed by the Committee. In addition, staff is proposing the outline of a plan to implement the proposed ordinance.

Staff estimates the need for one new full-time equivalent (FTE) staff to administer the program at the Airport at an estimated annual cost of \$156,000 (with benefits, retirement and other costs). Staff will need to return to Council at the earliest opportunity to request approval of a budget augmentation for the City's Office of Equality Assurance to begin the recruitment and selection of the additional staff needed to administer the ordinance.

### **BACKGROUND**

At its meeting on August 18, 2008, the Transportation and Environment Committee reviewed staff's progress report on extending the City's living wage policy to the Airport. At that time, staff provided partial information on the number of employees impacted and the financial impacts.

Since that meeting, staff has determined more accurate information on the size of the group of subcontracted employees to the passenger airlines. The eleven contractors employ a total of 460 workers. Of that group, 383 of those workers – or 83% – earn less than the City's current living wage rate of \$12.83 with benefits or \$14.08 without benefits. Staff estimates the cost to bring those workers up to the City's living wage standard is approximately \$3.2 million.

Committee Chair Williams, in response to the staff progress report and study assumptions, submitted a memo to the Committee with the following recommendations:

1. The City's Living Wage policy should be extended to all businesses operating throughout the Airport;
2. The definition of "covered employee" in the City's current living wage policy would not change;
3. Options for an Airport training program should be developed and brought back to the Committee for review at its meeting on October 6; and
4. The staff should draft a living wage ordinance for the Airport modeled on the City's current policy with provisions related to worker retention, third-tier review, labor peace, and enforcement.

This report contains the requested draft living wage ordinance for the Airport and a recommended implementation plan.

## **ANALYSIS**

### **Key Provisions of the Draft Ordinance**

The attached draft living wage ordinance will apply to all businesses that operate at the Airport, with the exception of construction contractors and subcontractors and ground transportation providers, such as taxicab companies, door-to-door shuttle companies and limousine operators. The current Living Wage Policy will remain unchanged for all City contracts other than at the Airport.

Chair Williams' August 18 memorandum requested several components from the current Living Wage Policy be included in the living wage ordinance for the Airport, including:

- worker retention;
- third tier review;
- labor peace; and
- penalties for failure to comply.

The draft ordinance also includes provisions related to reporting requirements and remedies. Much of the draft ordinance contains proposed language from the current City Living Wage Policy to conform to the requirements of Chair Williams' August 18 memorandum. However, significant portions of the enforcement provisions are modeled on those of the Port Authority of Oakland and the training provisions will be modeled on the provisions of San Francisco's Quality Standards Program (QSP). The key provisions are as follows:

*Wage requirements:* Consistent with the current Living Wage Policy, any person employed by a covered Airport business would be entitled to the minimum compensation required under the draft ordinance, if the employee:

- (a) Is not a person who provides volunteer services that are uncompensated except for reimbursement of expenses such as meals, parking or transportation;
- (b) Expends at least half of his or her time on work at the Airport;
- (c) Is at least eighteen years of age; and
- (d) Is not in training for the period of employee training specified under training standards developed by an Airport Business and approved by the City.

Also consistent with the current Living Wage Policy, the minimum compensation requirements of the draft ordinance would not apply to any Airport Business during the term of any collective bargaining agreement that expressly provides that the terms of the collective bargaining agreement shall supersede either the living wage ordinance or the minimum compensation requirements under the ordinance.

*Third Tier Review:* Third tier review or the tracking of an employer's history and commitment to acceptable working conditions for the purpose of consideration in the award of contracts is retained in the draft ordinance and would be expanded to all businesses that enter into a contract with the City at the Airport and their subcontractors that provide goods or services. Airport staff would require the submission of third tier review information as a condition to entering into any new contract or contract amendment at the Airport, and the Airport contracts would require that the business contracting with the City collect third tier review information from their subcontractors that provide goods or services.

*Labor Peace:* Requirements for assurances of labor peace are also retained in the draft ordinance and would be expanded to all businesses that enter into a contract with the City at the Airport and their subcontractors that provide goods or services. Airport staff would require the submission of labor peace assurances as a condition to entering into any new contract or contract amendment at the Airport, and the Airport contracts would require that the business contracting with the City collect labor peace assurances from their subcontractors that provide goods or services.

*Employee Retention:* Employee retention, which is a requirement to offer continued employment to employees of a previous contractor who meet certain requirements, is retained in the draft ordinance. A Retention Employee is any person employed by a covered business operating at the Airport who:

- (a) Provides direct labor or service on the Airport contract;
- (b) Is not an exempt employee under the Fair Labor Standards Act; and
- (c) Has been employed for at least the six (6)-month period prior to the date of the new contract by the predecessor contractor or subcontractor.

Employee retention procedures for the living wage ordinance for the Airport would duplicate the employee retention procedures used for the City's current living wage policy. No less than 30 to 60 days prior to the end of a contract, employees to be displaced would be notified in writing that they have been placed on the Qualified Displaced Worker List and the new contractor/vendor will be required to offer him/her employment. The letter will detail the worker retention process and timeline and include the City's Office of Equality Assurance's (OEA) phone number and contact person and a Frequently Asked Questions Sheet. (OEA is the City office responsible for monitoring and enforcing the current living wage policy.) OEA will provide the text of the letter to the outgoing contractor and stipulate when the letters are to be delivered to the affected workers. OEA would meet with the affected workers to answer any questions etc. OEA would also meet with the new contractors/vendors and provide them with the Qualified Displaced Worker List. The new vendors would be directed to make job offers by a certain time and the displaced workers would have a specified number of days to accept or reject the job offer. Copies of all letters, job acceptances and job rejections are to be provided to OEA.

Employee retention *would apply only to businesses that provide goods or services to the City or a tenant.* Employees of passenger and cargo airlines, rental car companies, fixed based operators (FBO) and advertising concessionaires are expressly exempted from the employee retention

requirements. Employee retention would apply to a subcontractor employer, such as Aviation Safeguards, but would not apply to a tenant airline such as American Airlines, an air cargo operation such as Federal Express or a tenant FBO such as Atlantic Aviation. The primary reason the employee retention provisions would not apply to tenants is because should a tenant leave the Airport, there is no guarantee that the replacement business will require the same skill sets for their employees. In fact, there is not even a guarantee that the business will be immediately replaced. However, should a contracted service firm, such as Aviation Safeguards, leave the Airport for any reason, it is likely that the company that replaces it would need to have the same skill sets to provide the same goods or services needed by the City or the tenant business.

*Administration of the Ordinance:* The major monitoring and enforcement provisions of the draft ordinance are modeled on, but do not exactly duplicate, the living wage regulations and procedures of the Port of Oakland.

Reporting Requirements: Like the Oakland ordinance, and current procedures for the City's Living Wage Policy, the attached draft ordinance contains reporting requirements and remedies if those requirements are not met. To facilitate the ability of City to review compliance documentation, all businesses on the Airport would be required to maintain complete records of those covered employees working in Airport-related jobs, including, but not limited to, such information as name, job classification, hours worked, pay rate, health benefits received and any other additional information the City may require. Employers would be required to submit payroll information to OEA on a schedule to be determined by the City but not more frequently than a quarterly basis. The "reporting period" would mean the period immediately preceding the relevant payroll deadline. Failure to provide the required records within five days of the due date would result in a late fee of \$100 a day. The late fee would be levied by OEA and collected by the Airport.

Upon request of the City, an employer would be required to permit full access to work sites and relevant payroll records, timesheets, benefit statements or any other document to authorized City personnel for the purpose of monitoring compliance, investigating complaints and inspecting and copying payroll records of any employee of the employer.

Enforcement of Minimum Compensation and Employee Retention Provisions: The draft ordinance provides for complaint-based enforcement by the City and for a private right of action for impacted employees to enforce the minimum compensation and employee retention provisions. The City Manager would also have the authority to develop additional rules and regulations to facilitate the City's ability to: 1) monitor employers to ensure compliance; 2) to investigate and resolve specific concerns and complaints related to the draft ordinance; 3) provide notice and proceedings related to alleged violations; 4) take actions to encourage compliance..

Filing a Complaint: Any person who believes a violation of the ordinance has occurred may file a written complaint with OEA.

A Finding of Non-Compliance: The City would have the authority to investigate and resolve any complaints of violations of the ordinance. OEA would also have the authority to initiate an investigation if its review of employer documentation indicates a possible violation of the ordinance.

OEA would have the authority to issue an administrative citation whenever it determines a violation has occurred. The administrative citation would order the employer to pay restitution to the impacted employees and to pay a fine to the City equal to three times the difference between the actual wages paid and the amount that should have been paid. For example, if \$1,000 of restitution is owed, the damages for the violation are \$4,000 (\$1,000 for restitution and \$3,000 for damages). The purpose of the fine is to discourage underpayment and encourage compliance with the wage requirements. An employer that fails to pay the required restitution or fines would be liable for the payment of an additional delinquency penalty equal to ten percent of the fine due to the City. Interest would accrue on all delinquent fine amounts, exclusive of delinquency penalties, at the rate of .5% per month until paid. The City would have the ability to enforce the restitution order and collect unpaid fines by all available legal means.

Appeal of a Finding of Non-Compliance: An employer or a complainant would be able to request a hearing to contest either the administrative citation or a finding of no violation by the employer. A request for a hearing must be received within 30 days of the issuance of the administrative citation or the finding of no violation by the employer. The hearing would be required to be scheduled by the City not less than 15 days and not more than 60 days from the date of the City's receipt of the request for a hearing. The employer contesting an administrative citation would be required to pay a hearing deposit equal to the fine amount as a condition for the hearing. The Director of OEA would have the authority to waive the advance hearing deposit upon proof of financial hardship by the employer.

The City Manager's Office (CMO) would be the hearing body and would issue a written decision on the appeal of the citation. If the CMO upholds the citation, the City would retain the fine.

Private Right of Action: Any person aggrieved by a violation of the minimum compensation requirements, the employee retention requirements or the prohibition on retaliation and discrimination, would have the right to bring a civil action in a court of competent jurisdiction against the employer violating the ordinance and, upon prevailing, would be entitled to such legal or equitable relief as may be appropriate to remedy the violation including, without limitation, the payment of any back wages unlawfully withheld and interest thereon, reinstatement in employment and/or injunctive relief and would be eligible to be awarded reasonable attorney's fees and costs. The ordinance would also provide that City administrative remedies would not be a prerequisite for seeking relief in a court of law.

Contractual Enforcement of Employee Work Environment and Labor Peace Provisions: If a contractor or subcontractor fails to comply with either the Employee Work Environment or Labor Peace Provisions, the City would, at its option, have the ability to either terminate the contract for default or withhold payment or compensation to the contractor.

## Implementation Plan

The subcontracted employees of the passenger airlines have been the primary focus of Committee discussion regarding the application of the draft living wage ordinance at the Airport. Staff understands the desire of the Committee to extend the benefits of a living wage ordinance to the subcontracted group as quickly as possible. As noted earlier, staff now has a clear sense of the number of people in this group (460), the percentage of them that earn less than the City's living wage standard (83%) and the potential annual financial impact on the airlines of bringing their incomes up to the City's living wage standard (\$3.2 million). However, staff does not have complete information for any other group of employees working at the Airport, including the direct employees of the airlines.

While the City can implement living wage at the Airport in phases, because of strong legal concerns, in Phase 1 the City cannot simply extend living wage *only* to the subcontracted employees working in the passenger terminal and not to the direct and contracted employees of the airlines working in the passenger terminal who are doing the same jobs. The direct, contracted and subcontracted employees in the passenger terminals must be extended living wage in the same phase. If the direct, contracted and subcontracted employees are extended living wage in Phase 1, the City may elect to extend living wage coverage to all remaining employees at the Airport in a second, subsequent phase. The City may also elect to extend living wage to all employees at the Airport in one step. Based on that understanding, staff outlines the options for implementing the draft living wage ordinance as follows:

*Option 1: Implement the ordinance airport-wide immediately upon passage.* This means the ordinance would go into effect 30 days after its second reading after its adoption by Council. Based on the timelines of current process, that means an effective date of late November or early December. While staff presents this option for Committee consideration, we do not believe the City will have an effective capability to enforce the ordinance in place by late November or early December. This implementation date does not give staff sufficient time to add needed personnel, gather information about the covered businesses and employees, inform the businesses of the new ordinance and what they must to comply with it, etc. For these reasons, staff does not recommend this option.

*Option 2: Implement the ordinance in phases.* Should the Committee wish to pursue this option, staff recommends the following phases:

1. Phase 1 - extend living wage coverage to the direct, contracted, and subcontracted employees working for the businesses operating in passenger terminal and ramp areas of the Airport, including commercial passenger airlines and air cargo carriers effective January 1, 2009.
2. Phase 2 - extend living wage coverage to all the remaining direct, contracted and subcontracted employees of the remaining businesses on the Airport effective September 1, 2009. From the period of January 1, 2009 through June 1, 2009, staff is directed to study the economic impacts related to this second phase and report back to the Committee and full Council before the proposed implementation date of September 1, 2009.



Staff would still need to take preparatory steps to administer the ordinance. Under this option: 1) staff would have a little more time (one month) to prepare for the Phase 1 group; 2) the Phase 1 group would be smaller than in Option 1; and 3) there would be more time to prepare for implementing Phase 2. Staff is not certain the extra month in this option will allow the City to be fully prepared to enforce the ordinance on January 1.

*Option 3: Consider the use of an economic activity trigger.* Should the Committee wish to consider implementation via an economic activity trigger, staff recommends an activity trigger of three consecutive months of year-over-year increased capacity growth (number of seats on departing flights). An increase in seats is a strong indicator of airlines' confidence in this market and their long-term commitment to San José. The ordinance would take effect whenever the trigger is met or with the opening of the new Terminal B (summer-fall of 2010), whichever occurs first. If a trigger method is used, there would be no phased approach and coverage would be extended Airport wide.

This option provides the best opportunity to mitigate the financial impacts of living wage on Airport employers and gives staff sufficient time to prepare for enforcing the ordinance. For those reasons, this is the option staff prefers.

#### Monitoring and Enforcement

As noted above, the City would enforce the minimum compensation requirements on a complaint basis and provide for a private right of action for impacted employees. Staff will regularly review submitted documentation and take enforcement actions as necessary, but without a complaint or documentation irregularity, no further action would be taken. However, it is important to note that when a determination of non-compliance is identified, the City will take rigorous enforcement action, including the use of fines, penalties, legal action and, ultimately, the termination of contracts or permits to ensure compliance as necessary.

San Francisco International Airport and the Port of Oakland use a complaint-driven approach for enforcement of their living wage programs. The Port of Oakland uses part of one full-time equivalent (FTE) position to monitor compliance with its program that covers an estimated 2,000 employees. Businesses provide quarterly reports for staff review. Over the past two years, Port staff report receiving one complaint from one individual.

35,000 employees work at San Francisco International Airport (SFO). At SFO two programs currently cover living wage. SFO dedicates two full-time staff to the Airport's Quality Standards Program (QSP), a program that focuses on compliance monitoring and enforcing hiring, training, equipment and vehicle maintenance standards and minimum compensation for those airline service provider employees performing safety and security services *only* at the Airport. QSP monitors and enforces its program for 34 service providers, 60 airlines and an estimated 8,000 employees working in safety and security areas. Some portion of the remaining 27,000 employees who work at SFO are covered by the City and County of San Francisco's Minimum Compensation Ordinance (MCO). The MCO (which does not cover Airport employees

performing safety and security services) is enforced by the City's Office of Labor Standards Enforcement, which handles complaints and conduct audits. Over the past year, San Francisco staff reports receiving very few complaints.

In addition to complaint-based enforcement, as noted above, anyone may initiate legal action at anytime to enforce the provisions of the City ordinance.

#### Staff Resources

Staff estimates the need for one new full-time equivalent (FTE) staff to administer the program at the Airport at an approximate annual cost of \$156,000. Staff will return to Council at the earliest opportunity with an appropriation action for the City's Office of Equality Assurance

#### Training Program

Staff is still reviewing the components of a training program and will issue a supplemental or replacement report for the Committee's October 6 meeting with recommendations on training. However, the training program will strongly draw from the training component of San Francisco International's Quality Service Program, which focuses on training for airline and contractor employees involved in the provision of services that directly impact safety and/or security.

#### **Airline Comments**

Airport staff recently discussed the application of living wage with corporate-level representatives of the airlines. In summary, the airlines raised the following major points which staff provides for the Committee's consideration:

1. *Opposition to the use the rate stabilization fund to mitigate the financial impacts of living wage.*
2. *Exemption for collective bargaining contracts for direct employees that are negotiated on a nationwide basis.* The airlines believe paying living wage to direct employees who have collective bargaining agreements that have been negotiated nationwide but for wages lower than the City's living wage will require amending those collective bargaining agreements nationwide. Staff does not believe that to be the case and notes that neither the San Francisco nor Oakland living wage ordinances provide for an exemption for direct employees on the basis of the existence of nationwide contracts.

The airlines also indicated that they would need to consider reducing the amount of contracted services to accommodate the costs of living wage.

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### **POLICY ALTERNATIVES**

*Alternative #1: Amend or revise all or some of staff recommendations – The Committee could amend or revise the draft ordinance or staff implementation plan. .*

**Pros:** The Committee could make revisions that better reflect its priorities and direction in bringing the extension of living wage to the Airport to the full City Council for consideration.

**Cons:** None.

**Reason for not recommending:** Staff is recommending an ordinance and an implementation approach it believes best aligns with the Committee's direction.

### **PUBLIC OUTREACH/INTEREST**

A copy of this report has been shared with the South Bay Labor Council, Airport tenants (including the airlines), the Airport Commission and posted to the City's website under the Transportation and Environment Committee agenda for its meeting on October 6, 2008.

### **COORDINATION**

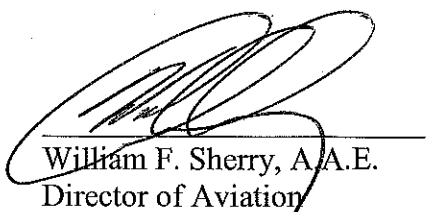
This memo was coordinated with the City Manager's Office, the City Manager's Budget Office and the City Attorney's Office.

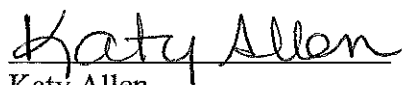
### **COST SUMMARY/IMPLICATIONS**

One FTE will need to be added to the Office of Equality Assurance staff at an approximate cost of \$156,000 a year. This cost will ultimately be borne by the airlines in some form. However, staff will work with the airlines to identify opportunities to mitigate the financial impact to the extent practicable. Such opportunities may – or may not – exist. When an ordinance is presented to Council for adoption, it will be accompanied by an appropriation action for the Office of Equality Assurance.

### **CEQA**

CEQA: Resolution No. 67380 and 71451, PP 08-199

  
William F. Sherry, A.A.E.  
Director of Aviation

  
Katy Allen  
Director of Public Works

For questions please contact William F. Sherry, Director of Aviation, at (408) 501-7600.

Attachment: Draft Living Wage Ordinance for the Airport

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ORDINANCE NO.

**AN ORDINANCE OF THE CITY OF SAN JOSE AMENDING  
TITLE 25 OF THE SAN JOSE MUNICIPAL CODE TO ADD  
A NEW CHAPTER 25.11 TO EXTEND LIVING WAGE,  
WORKER RETENTION AND EMPLOYEE WORK  
ENVIRONMENT REPORTING REQUIREMENTS AT THE  
NORMAN Y. MINETA SAN JOSE INTERNATIONAL  
AIRPORT**

**WHEREAS**, on June 8, 1999, the City Council adopted Resolution No. 68900 approving a policy requiring the payment of a living wage for workers employed by employers who are awarded City service contracts or who receive direct financial assistance from the City, with certain exclusions ("Living Wage Policy"); and

**WHEREAS**, the Living Wage Policy serves to require payment of wages that allow workers to leave or avoid poverty and to decrease high worker turnover and instability in the workplace, with the consequential benefits of improving the quality of service to the City and reducing dependence on taxpayer funded social services; and

**WHEREAS**, many service employees at the Norman Y. Mineta San José International Airport ("Airport") are not covered by the Living Wage Policy and are paid wages far below the City's living wage rate; and

**WHEREAS**, the purpose of applying the living wage requirements to employers of Airport service employees is to protect the public health, safety and welfare, by requiring the payment of wages sufficient to allow workers to attain financial independence and to attract and retain experienced and well-trained employees essential for maintaining the safety of the Airport; and

**WHEREAS**, the City has expended and continues to invest significant resources in operating, maintaining, and more recently, rebuilding and modernizing the Airport, which benefits the businesses operating at the Airport; and

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**WHEREAS**, the benefits received by Airport businesses from the City's investment should reasonably be shared with their employees through payment of a living wage; and

**WHEREAS**, the employee retention requirements also promote the public health, safety and welfare, by preventing the displacement of service workers due to changes in management beyond their control and unrelated to their work performance and qualifications; and

**WHEREAS**, providing service workers with a greater measure of employment security and stability, to remain employed without frequent episodes of job loss, will also have the resulting benefits of allowing them to attain financial independence and reducing poverty and reliance on taxpayer funded social services in San Jose; and

**WHEREAS**, by encouraging the retention of an experienced and well-trained workforce familiar with the Airport environment and procedures, the employee retention requirements are intended to not only decrease worker turnover at the Airport but also enhance Airport safety and security and customer service; and

**WHEREAS**, maintaining Airport safety and security is critical for the successful operation of the Airport; and

**WHEREAS**, retaining a well-trained workforce at the Airport and avoidance of service disruption is essential to the City's proprietary interest as the owner and operator of the Airport; and

**WHEREAS**, the City as proprietor of the Airport depends upon the revenue it receives from business operations located at the Airport and any interruption in service at the

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Airport would result in adverse effects on services available to the public and substantial lost revenue for the Airport; and

**WHEREAS**, the Airport is particularly vulnerable to significant adverse impacts and revenue loss due to the presence of many different employers whose operations are interrelated and interdependent, increasing the likelihood that a service disruption directly involving one employer could impact other operations at the Airport; and

**WHEREAS**, it is essential for the financial viability of the Airport that services be provided and business operations conducted without interruption; and

**NOW, THEREFORE**, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSE:

Title 25 of the San José Municipal Code is hereby amended to add a new chapter, to be numbered, entitled and to read as follows:

**CHAPTER 25.11  
AIRPORT LIVING WAGE AND LABOR STANDARDS**

**Part 1  
Purpose and Scope**

**25.11.100 Purpose and Scope**

- A. The establishment of living wage and worker retention requirements at the Airport serves to protect the public health, safety and welfare by requiring the payment of wages sufficient to allow workers to leave or avoid poverty and to decrease worker turnover and instability in the workplace. The consequential benefits of such measures are the improvement of the quality of service to the

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City, the traveling public and other Airport users, and reduction in dependence on taxpayer funded social services. Retaining experienced and well-trained employees is essential for maintaining Airport safety and security, which is critical for the Airport's successful operation. The City has also expended and continues to invest significant resources in operating, maintaining, and more recently, rebuilding and modernizing the Airport, which benefits the businesses operating at the Airport. The benefits received by Airport businesses from the City's investment should reasonably be shared with their employees through payment of a living wage.

- B. The work environment review and labor peace assurances promote the City's interests in maintaining continuous operation of the Airport. The City as proprietor of the Airport depends upon the revenue it receives from business operations located at the Airport and any interruption in service at the Airport would result in adverse effects on services available to the public and substantial lost revenue for the Airport. The Airport is particularly vulnerable to significant adverse impacts and revenue loss due to the presence of many different employers whose operations are interrelated and interdependent, increasing the likelihood that a service disruption directly involving one employer could impact other operations at the Airport. It is essential for the financial viability of the Airport that services be provided and business operations conducted without interruption

### **25.11.110 Exemptions**

The requirements of this Chapter shall not apply where and to the extent that state or federal law or regulations preclude or limit their applicability.

## **Part 3 Definitions**

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**25.11.300 Definitions**

The definitions set forth in this Part shall govern the application and interpretation of this Chapter. The definitions set forth in Part 3 of Chapter 25.01 of this Title shall govern the application and interpretation of the following terms as used in this Chapter: "Advertising Concessions," "Airport," "Car Rental Agencies," "Certificated Air Carriers," "Commercial Activity," "Fixed Based Operators," "Food and Beverage Concessions," "Ground Transportation Management Services," "Ground Transportation Provider," "Janitorial, Custodial and Facility Maintenance Services," "Parking Lot Management," "Retail Concessions," and "Shuttle Transportation."

**25.11.310 Airport Business**

"Airport Business" shall mean any person, corporation, partnership, limited liability company, joint venture, sole proprietorship, association, trust or any other entity conducting Commercial Activity at the Airport pursuant to an Airport Contract or a permit issued by the City under Title 25, and their Subcontractors conducting Commercial Activity at the Airport. "Airport Business" shall not include Ground Transportation Providers, Construction Contractors, the United States Federal Aviation Administration (FAA), the United State Transportation Security Administration (TSA), or any other federal, state or local public agency.

**25.11.320 Airport Contract**

"Airport Contract" shall mean a lease, license, operating agreement, concession agreement or other contract with the City for the conduct of Commercial Activity at the Airport.

**25.11.330 City Manager**



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"City Manager" shall mean the City Manager or the City Manager's designee.

**25.11.340    Construction Contractor**

"Construction Contractor" shall mean a construction contractor licensed by the California Contractors State License Board.

**25.11.350    Contractor**

"Contractor" shall mean any person, corporation, partnership, limited liability company, joint venture, sole proprietorship, association, trust or any other entity conducting Commercial Activity at the Airport pursuant to an Airport Contract. "Contractor" shall include but not be limited to Certificated Air Carriers, and Car Rental Agencies.

"Contractor" shall not include Ground Transportation Providers, Construction Contractors, the United States Federal Aviation Administration (FAA), the United State Transportation Security Administration (TSA), or any other federal, state or local public agency.

**25.11.360    Covered Employee**

"Covered Employee" shall mean any person employed by an Airport Business who:

- A.    Is not a person who provides volunteer services that are uncompensated except for reimbursement of expenses such as meals, parking or transportation;
- B.    Expend at least half of his or her time on work at the Airport;
- C.    Is at least eighteen (18) years of age; and

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- D. Is not in training for the period of employee training specified under training standards developed by an Airport Business and approved by the City.

**25.11.370 Director**

"Director" shall mean the Director of the City's Office of Equality Assurance or such other director designated by the City Manager to administer this Chapter.

**25.11.380 Effective Date**

"Effective Date" shall mean the effective date of this Chapter.

**25.11.390 Health Insurance Benefits**

"Health Insurance Benefits" shall mean the payment of no less than \_\_\_\_\_ Dollars and \_\_\_\_\_ Cents (\$\_\_\_\_\_) per hour toward the cost of health and medical care insurance for employees and their dependents.

**25.11.400 Living Wage Policy**

"Living Wage Policy" shall mean Resolution No. 68900, adopted by the City Council on June 8, 1999, including any subsequent amendments.

**25.11.410 Predecessor Employer**

"Predecessor Employer" shall mean the Airport Business that provided substantially similar services at the Airport immediately prior to the Successor Employer.

**25.11.420 Prevailing Wage Policy**

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"Prevailing Wage Policy" shall mean Resolution No. 61144, adopted by the City Council on February 7, 1989, including any subsequent amendments.

**25.11.430 Retention Employee**

"Retention Employee" shall mean any person employed by a Contractor or Subcontractor subject to Part 7 of this Chapter who:

- A. Performs work on the Airport Contract;
- B. Is not an exempt employee under the Fair Labor Standards Act;
- C. Has been employed by the Predecessor Employer for at least the six (6) month period prior to the date of the new contract with the Successor Employer;
- D. Has not been convicted of a crime that is related to his or her employment at the Airport or to his or her job performance at the Airport; and
- E. Has not been demonstrated to the City to present a significant danger to Airport users or employees, co-workers, or City staff.

**25.11.440 Subcontractor**

"Subcontractor" shall mean any person, corporation, partnership, limited liability company, joint venture, sole proprietorship, association, trust or any other entity that provides goods or services at the Airport under a contract with a Contractor.

"Subcontractor" shall not include Construction Contractors.

**25.11.450 Successor Employer**

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"Successor Employer" shall mean the new Airport Business that succeeds the Predecessor Employer in the provision of substantially similar services at the Airport.

### **Part 5**

#### **Minimum Compensation**

##### **25.11.500 Payment of Minimum Compensation**

- A. Except as otherwise provided in this Part, all Airport Businesses shall provide to their Covered Employees the following minimum compensation:
1. If Health Insurance Benefits are provided, a wage of no less than Twelve Dollars and Eighty-Three Cents (\$12.83) per hour.
  2. If Health Insurance Benefits are not provided, a wage of no less than Fourteen Dollars and Eight Cents (\$14.08) per hour.
- B. These wage rates will be reviewed annually, no later than the 10<sup>th</sup> of February, to determine if any adjustment should be made based on any change as of December 31<sup>st</sup> of the previous year in the federal poverty level standard or the geographic cost of living differential used by the City in determining the initial wage adjustment. If either standard has changed, the City shall recalibrate the wages using the original methodology with the new values. If neither standard has changed, the Consumer Price Index for all Urban Consumers in the San Francisco-Oakland-San Jose area (U.S. Department of Labor, Bureau of Labor Statistics) shall be reviewed. If the CPI has increased by at least one percent (1%), the wage rate shall be adjusted by the same percentage change in the CPI but not to exceed three percent (3%). If the CPI has not increased by at least one percent (1%), the wage rate shall remain unchanged.

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- C. At least three (3) months prior to the adjustment of wage rates, the City shall provide notice to all Airport Businesses of the new wage rates and the effective date.

**25.11.510 Exemptions**

- A. The minimum compensation requirements of this Part shall not apply to any Airport Business during the term of any collective bargaining agreement that expressly provides that the terms of the collective bargaining agreement shall supersede either the Living Wage Policy or the minimum compensation requirements of this Part.
- B. Contractors currently operating at the Airport pursuant to the terms of an Airport Contract that is subject to and includes the terms and conditions of the Living Wage Policy and/or Prevailing Wage Policy shall not be subject to the requirements of this Part for the remaining term of the Airport Contract.

**Part 7**

**Employee Retention**

**25.11.700 Application**

Except as otherwise provided in this Part, the employee retention requirements under this Part shall apply to any Airport Business that provides services at the Airport to either the City or to an Airport Businesses, including but not limited to:

- A. Food and Beverage Concessions;
- B. Retail Concessions;
- C. Janitorial, Custodial and Facility Maintenance Services;

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- D. Shuttle Transportation;
- E. Parking Lot Management;
- F. Ground Transportation Management Services;
- G. Security Services;
- H. Curbside Passenger Check-in and Baggage Check Services (Sky Caps);
- I. Wheelchair Escorts;
- J. General Aircraft Maintenance;
- K. Baggage and Cargo Handling;
- L. Aircraft Interior Cleaning and Carpet Cleaning Services;
- M. Washing and Cleaning of Aircraft or Ground Support Equipment;
- N. Aircraft Tow-In and Push Back;
- O. Engine Oil Servicing;
- P. Water and Lavatory Servicing;
- Q. Electrical and Air Power Boost Servicing;
- R. Ground Support Equipment Repair and Maintenance;

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- S. Ground Support Vehicle Fueling;
- T. Aircraft Into-Plane Fueling and Defueling.

**25.11.710 Exemptions**

The employee retention requirements of this Part shall not apply to employees of the following Airport Businesses:

- A. Certificated Air Carriers;
- B. Car Rental Agencies;
- C. Fixed Base Operators; and
- D. Advertising Concessionaires

**25.11.720 Notice to Employees**

- A. No less than sixty (60) days prior to the termination of a Predecessor Employer's contract, the Predecessor Employer shall provide to the Office of Equality Assurance a qualified displaced worker list with the names and contact information for all Retention Employees.
- B. No less than thirty (30) days prior to the termination of a Predecessor Employer's contract, all Retention Employees shall be notified in writing that they have been placed on a qualified displaced worker list and that the Successor Employer will be required to offer him or her continued employment at the Airport. The notification letter shall detail the worker retention process and timeline and

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include the phone number of and the name of a contact person at the Office of Equality Assurance.

**25.11.730 Retention Offer**

- A. Except as otherwise provided in this Part, Successor Employers subject to this Part shall offer employment to all Retention Employees.
- B. The Successor Employer may treat any of its current employees as Retention Employees for purposes of this Part who, based on payroll records or other reliable evidence, can be shown to the satisfaction of the Director:
  - 1. To have been employed for at least the six (6) month period prior to the date of the new contract by the Successor Employer; and
  - 2. To not be eligible for continued employment by the Successor Employer other than the Airport.
- C. In the event that the Successor Employer does not have enough positions available for all Retention Employees and its current employees eligible for retention under subsection B, the Successor Employer shall hire the Retention Employees and retain its current employees who are eligible for retention by seniority within each employment classification. For any positions that become available during the initial ninety (90) day period of the new contract, the Successor Employer will hire Retention Employees and rehire its employees who are eligible for retention by seniority within each employment classification.



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**25.11.740 Retention Period**

- A. A Successor Employer shall not discharge a Retention Employee without cause during the initial ninety (90) day period of his or her employment.
- B. A Successor Employer shall offer continued employment to each Retention Employee who receives a satisfactory performance evaluation at the end of the initial ninety (90) day period of employment under terms and conditions established by the Successor Employer for all its employees.

**Part 9**

**Employee Work Environment**

**25.11.900 Employee Work Environment Reporting Requirement**

- A. Prior to the effective date of any Airport Contract or amendment to an Airport Contract entered into on or after the Effective Date, the Contractor shall provide to the City work environment information for Contractor and its Subcontractors, including a description of the following:
  - 1. compensated days off per year, including holidays, sick leave, vacation, and personal leave, offered to employees;
  - 2. employee health benefits;
  - 3. compliance with state and federal workplace standards; and
  - 4. employee complaint procedures.

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- B. For Subcontractors hired after the effective date of the Airport Contract, the Contractor shall provide the City with the work environment information in subsection A prior to the effective date of the contract between the Contractor and Subcontractor.

**Part 11**

**Labor Peace Assurance**

**25.11.1100 Labor Peace Assurance**

- A. Prior to the effective date of any Airport Contract or amendment to an Airport Contract entered into on or after the Effective Date, the Contractor shall provide to the City assurances on how the Contractor will prevent service disruptions at the Airport due to labor disputes. These assurances shall be included in the Airport Contract.
- B. Any Airport Contract or amendment to an Airport Contract entered into on or after the Effective Date shall provide that each Contractor shall require that its Subcontractors provide it with assurances on how the Subcontractor will prevent service disruptions at the Airport due to labor disputes.

**Part 13**

**Retaliation and Discrimination Prohibited**

**25.11.1300 Prohibition**

An Airport Business shall not discharge, reduce the compensation of, or discriminate against any employee for making a complaint to the City, participating in any of the City's proceedings related to the enforcement of this Chapter, using any civil remedies

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to enforce his or her rights under this Chapter, or otherwise asserting his or her rights under this Chapter.

### **Part 15 Administration**

#### **25.11.1500 Compliance Monitoring**

The City's Office of Equality Assurance shall monitor compliance with this Chapter, including the investigation of claimed violations.

#### **25.11.1510 Regulations**

- A. The Director may promulgate regulations consistent with this Chapter.
- B. The Director shall hold a public hearing and allow public comment on any proposed rule or regulation prior to adoption thereof. The Director shall provide not less than ten (10) days' notice of such public hearing. A copy of such administrative rules and regulations shall be on file in the Office of Equality Assurance.
- C. It shall be unlawful to disobey or fail to comply with any regulation adopted pursuant to this Chapter.

#### **25.11.1520 Report**

The Director shall provide an annual report on compliance with this Chapter to the City Council.

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**25.11.1530 Record Keeping, Reporting and Audit**

- A. Each Airport Business shall maintain for each employee performing work at the Airport a true and accurate record of the employee's name, address, job classification, hours worked, pay rate and health benefits received, and shall preserve such records for at least three (3) years.
- B. Each Airport Business shall submit a copy of the records or documents required to be kept pursuant to this Section to the City at least by March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup> of each year. Failure to provide a copy of such records or documents within five (5) days of the due date will result in a late fine of one hundred dollars (\$100.00) per day.
- C. At all other times, the Airport Business shall make all records or documents required to be kept pursuant to this Section or regulations promulgated by the Director to verify compliance with this Chapter, available for audit at no cost to City, at any time during regular business hours, upon written request by the City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such records or documents shall be provided to City for audit at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records or documents shall be available at the Airport Business's address indicated for receipt of notices in the Airport Contract or permit.
- D. The records or documents required to be kept pursuant to this Section or regulations promulgated by the Director to verify compliance with this Chapter shall be complete and accurate. The provision of false information to the City shall be a violation of this Chapter.

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**25.11.1540 Access to Work Site**

Each Airport Business shall permit access to work sites for authorized City representatives for the purpose of monitoring compliance with this Chapter, investigating complaints of noncompliance, and evaluating the operation and effects of this Chapter.

**Part 17**

**Administrative Enforcement**

**25.11.1700 Applicability**

- A. This Part provides for administrative citations that are in addition to all other legal remedies that may be pursued by the City to address any violations of the minimum compensation requirements of this Chapter.
- B. Use of this Part shall be at the sole discretion of the City.

**25.11.1710 Complaint to City**

Any person claiming a violation of this Chapter may file a complaint with the City. The City may, in its sole discretion, investigate and address any alleged violation of this Chapter's requirements. However, the City's failure to investigate an alleged violation or to otherwise enforce any of the provisions of this Chapter shall not create any right of action or right to recover damages from the City by any person, including but not limited to an aggrieved employee.

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**25.11.1720 Administrative Citation**

- A. Whenever the Director determines that a violation of the minimum compensation requirements of this Chapter has occurred, the Director shall have the authority to issue an administrative citation to any person responsible for the violation.
- B. Each administrative citation shall contain the following information:
  - 1. The date of the violation;
  - 2. The section of this Chapter violated and a description of the violation;
  - 3. The amount of the fine and restitution for the code violation;
  - 4. A description of the fine payment process, including a description of the time within which and the place to which the fine shall be paid;
  - 5. An order prohibiting the repeated occurrence of the code violation described in the administrative citation;
  - 6. A description of the administrative citation review process, including the time within which the administrative citation may be contested and the place from which a request for hearing form to contest the administrative citation may be obtained; and
  - 7. The name and signature of the Director.

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**25.11.1730 Fine and Restitution Amount**

- A. For violations of the minimum compensation requirements imposed pursuant to this Chapter, the fine amount shall be equal to three (3) times the difference between the actual amount of wages paid and the amount of wages that should have been paid. The restitution amount shall be equal to the difference between the actual amount of wages paid and the amount of wages that should have been paid.
- B. For violations of the employee retention requirements imposed pursuant to this Chapter, the fine amount shall be equal to three (3) times the amount of wages unpaid for the period that the employee should have been but was not employed. The restitution amount shall be equal to the amount of wages unpaid for the period that the employee should have been but was not employed.
- C. For other violations of this Chapter, the fine amount shall be \_\_\_\_\_ dollars (\$\_\_\_\_\_) per violation, except as otherwise specified in this Chapter.

**25.11.1740 Payment of the Fine and Restitution**

- A. Within thirty (30) days from the date of the issuance of the administrative citation, the fine shall be paid to the City and restitution shall be paid to the underpaid employee or employees.
- B. Any administrative citation fine paid pursuant to subsection A shall be refunded in accordance with Section 25.03.470.D if it is determined, after a hearing, that the person charged in the administrative citation was not responsible for the violation or that there was no violation as charged in the administrative citation.

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- C. Payment of a fine or restitution under this Chapter shall not excuse or discharge any repeated occurrence of the code violation that is the subject of the administrative citation.

**25.11.1750 Hearing Request**

- A. Any recipient of an administrative citation may contest the violation set forth in the administrative citation or that he or she is the responsible party by completing a request for hearing form and returning it to the Director within thirty (30) days from the date of the issuance of the administrative citation, together with an advance deposit of the fine or notice that a request for an advance deposit hardship waiver has been filed pursuant to Section 25.11.1560.
- B. A request for hearing form may be obtained from the Director.
- C. The person requesting the hearing shall be notified of the time and place set for the hearing at least ten (10) days prior to the date of the hearing.
- D. If City staff submits an additional written report concerning the administrative citation for consideration at the hearing, then a copy of this report also shall be served on the person requesting the hearing at least five (5) days prior to the date of the hearing.

**25.11.1760 Advance Deposit Hardship Waiver**

- A. Any person who intends to request a hearing to contest an administrative citation under this Chapter or that he or she is the responsible party and who is financially unable to make the advance deposit of the fine as required in Section 25.11.1550.A may file a request for an advance deposit hardship waiver.



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- B. The request shall be filed with the Director on an advance deposit hardship waiver application form, available from the Director, within fifteen (15) days of the date of the administrative citation.
- C. The requirement to deposit the full amount of the fine as described in Section 25.11.1550.A shall be stayed unless and until the Director makes a determination not to issue the advance deposit hardship waiver.
- D. The Director may waive the requirement of an advance deposit set forth in Section 25.11.1550.A and issue the advance deposit hardship waiver only if the cited party submits to the Director a sworn affidavit, together with any supporting documents or materials, demonstrating to the satisfaction of the Director the person's actual financial inability to deposit with the City the full amount of the fine in advance of the hearing.
- E. If the Director determines not to issue an advance deposit hardship waiver, the person shall remit the deposit to the City within ten (10) days of the date of that decision or thirty (30) days from the date of the administrative citation, whichever is later.
- F. The Director shall issue a written determination listing the reasons for the Director's determination to issue or not issue the advance deposit hardship waiver. The written determination of the Director shall be final.
- G. The written determination of the Director shall be served upon the person who applied for the advance deposit hardship waiver.

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**25.11.1770 Hearing Procedure**

- A. The City Manager shall conduct the administrative citation hearing for violations of this Chapter pursuant to this Section and any rules and procedures for the conduct of hearings as adopted by the City Manager.
- B. No hearing to contest an administrative citation before the City Manager shall be held unless the fine has been deposited in advance in accordance with Section 25.11.1550.A or an advance deposit hardship waiver has been issued in accordance with Section 25.11.1560.
- C. A hearing before the City Manager shall be set for a date that is not less than fifteen (15) days and not more than sixty (60) days from the date that the request for hearing is filed in accordance with the provisions of this Chapter.
- D. At the hearing, the party contesting the administrative citation shall be given the opportunity to testify and to present evidence concerning the administrative citation.
- E. The failure of any recipient of an administrative citation to appear at the administrative citation hearing shall constitute a forfeiture of the fine and a failure to exhaust their administrative remedies.
- F. The administrative citation and any additional report submitted by the Director shall constitute prima facie evidence of the respective facts contained in those documents.
- G. The City Manager may continue the hearing and request additional information from the Director or the recipient of the administrative citation prior to issuing a written decision.

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**25.11.1780 Decision of the City Manager**

- A. After considering all of the testimony and evidence submitted at the hearing, the City Manager shall issue a written decision to uphold or cancel the administrative citation and shall list in the decision the reasons for that decision. The decision of the City Manager shall be final.
- B. If the City Manager determines that the administrative citation should be upheld, then the fine amount on deposit with the City shall be retained by the City.
- C. If the City Manager determines that the administrative citation should be upheld and the fine has not been deposited pursuant to an advance deposit hardship waiver, the City Manager shall set forth in the decision a payment schedule for the fine.
- D. If the City Manager determines that the administrative citation should be upheld, the City Manager shall order that restitution be paid to the underpaid employee or employees.
- E. If the City Manager determines that the administrative citation should be canceled and the fine was deposited with the City, then the City shall promptly refund the amount of the deposited fine, together with interest at the average rate earned on the City's portfolio for the period of time that the fine amount was held by the City.
- F. The recipient of the administrative citation shall be served with a copy of the City Manager's written decision.

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**25.11.1790 Late Payment Charges**

Any person who fails to pay to the City the amount of any fine imposed pursuant to the provisions of this Chapter on or before the date that fine amount is due shall be liable for the payment of an additional delinquency penalty. The delinquency penalty is equal to ten percent (10%) of the amount of the fine due to the City, or ten percent (10%) of the amount of the fine remaining unpaid to the City if a portion of the fine amount was timely paid. Interest shall accrue on all delinquent fine amounts, exclusive of delinquency penalties, at the rate of one half of one percent (0.5%) per month, pro rata, of the total delinquent fine amount, from the date the fine amount becomes delinquent until the date that all delinquent fine amounts are paid to the City.

**25.11.1800 Recovery of Administrative Citation Fines and Costs**

- A. The City may collect any past due administrative citation fine or late payment charge by use of all available legal means.
- B. Any person who fails to pay any past due administrative citation fine or late payment charge shall be liable in any action brought by the City for all costs incurred in securing payment of the delinquent amount, including, but not limited to, administrative costs and attorneys' fees.
- C. Collection costs shall be in addition to any penalties, interest, and/or late charges imposed upon the past due administrative citation fine.
- D. Collection costs imposed under this Section shall be added to and become a part of the underlying administrative citation fine.

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**25.11.1810 No Exhaustion of Remedies Requirement**

Exhaustion of remedies under this Part shall not be a prerequisite to the filing of a civil action pursuant to Section 25.11.1700 of Part 17 of this Chapter.

**Part 19**

**Civil Enforcement and Contract Remedies**

**25.11.1900 Civil Enforcement**

- A. Any employee aggrieved by a violation of the minimum compensation requirements, the employee retention requirements or the prohibition on retaliation and discrimination of this Chapter, or organization of which such employee is a member, may bring a civil action in a court of competent jurisdiction against the Airport Business violating this Chapter and, upon prevailing, shall be entitled to such legal or equitable relief as may be appropriate to remedy the violation including, without limitation, the payment of any back wages and benefits unlawfully withheld and interest thereon, reinstatement in employment and/or injunctive relief, and shall be awarded reasonable attorney's fees and costs. For a willful violation of this Chapter, a court may award as a penalty up to treble the amount of monies to be paid as damages.
- B. This Part shall not be construed to limit an employee's right to bring legal action for a violation of any other laws concerning wages, hours, or other standards or rights.

**25.11.1910 Contract Enforcement**

If a violation of any contract provision required by this Chapter occurs and is not corrected after written notice, the City may, at its option, do any or all of the following:

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- A. Terminate the Airport Contract for default;
- B. Withhold payment or compensation, if applicable.

**Part 21**  
**Effective Date**

**25.11.1921 Effective Date**

This Chapter shall become effective \_\_\_\_ days after it is adopted.

PASSED FOR PUBLICATION of title this \_\_\_\_ day of \_\_\_\_\_, 2008, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk